**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

**Claim 1 (currently amended):** A method of conducting homologous recombination, which is characterized in that it comprises the following steps (a) and (b):

(a) a step of preparing filamentous fungi ~~cells~~ **belonging to genus Neurospora or Aspergillus** wherein a decrease or loss of the functions of a gene **selected from the group consisting of KU70, KU80, LIGIV and XRCC4** ~~necessary for non-homologous recombination~~ is induced; and

(b) a step of introducing foreign DNA into said ~~cells~~ **filamentous fungi**, so as to conduct homologous recombination.

**Claim 2 (currently amended):** The method according to claim 1, which is characterized in that said decrease or loss of the functions of [[a]] **the** gene ~~necessary for non-homologous recombination~~ is achieved by introducing a mutation or deletion into the gene **selected from the group consisting of KU70, KU80, LIGIV and XRCC4** ~~necessary for non-homologous recombination that exists in the cells~~.

**Claim 3 (currently amended):** The method according to claim 1, which is characterized in that said decrease or loss of the functions of [[a]] **the** gene ~~necessary for non-homologous recombination~~ is achieved by disrupting as a whole the gene **selected from the group consisting of KU70, KU80, LIGIV and XRCC4** ~~necessary for non-homologous recombination that exists in the cells~~.

**Claim 4 (previously presented):** The method according to claim 1, which is characterized in that said step of introducing foreign DNA is achieved by any one of an electroshock method, a spheroplast method, and a Ti plasmid method.

**Claims 5-9 (canceled).**

**Claim 10 (currently amended):** The method according to claim **1** ~~9~~, wherein said filamentous fungi belonging to genus Neurospora is one type selected from the group consisting of *Neurospora crassa*, *Neurospora sitophila*, *Neurospora tetrasperma*, *Neurospora intermedia*, and *Neurospora discreta*.

**Claims 11-12 (canceled).**

**Claim 13 (currently amended):** The method according to claim **1** ~~9~~, wherein said filamentous fungi belonging to genus Aspergillus is one type selected from the group consisting of *Aspergillus oryzae*, *Aspergillus sojae*, *Aspergillus niger*, *Aspergillus awamori*, *Aspergillus kawachi*, *Aspergillus parasiticus*, *Aspergillus flavus*, *Aspergillus nomius*, *Aspergillus fumigatus*, and *Aspergillus nidulans*.

**Claim 14 (currently amended):** **The method of claim 1 wherein cells of said filamentous fungi are** ~~**Cells**~~ prepared in said step (a) ~~**of the method according to claim 1**~~.

**Claim 15 (currently amended):** Cells **of said filamentous fungi** obtained by the method of claim 1.

**Claim 16 (canceled).**

**Claim 17 (currently amended):** Cells **of said filamentous fungi** obtained by the method of claim 10.

**Claim 18 (currently amended):** Cells **of said filamentous fungi** obtained by the method of claim 13.

**Claim 19 (new):** The method according to claim 1 wherein a rate of said homologous recombination of said filamentous fungi in which there is said decrease or loss of the functions of the gene is increased by at least a factor of 5 compared to a rate of homologous recombination of a wild type of said filamentous fungi.

**Claim 20 (new):** The method according to claim 1 wherein a rate of said homologous recombination of said filamentous fungi in which there is said decrease or loss of the functions of the gene is increased by at least a factor of 12.5 compared to a rate of homologous recombination of a wild type of said filamentous fungi.